## **REMARKS**

In the Office Action, claims 1-39 were rejected. By this Reply and Amendment, claims 1, 6, 7, 10, 12, 22 and 38 have been amended, claim 11 has been canceled without prejudice, and claims 1-10 and 12-39 remain pending in the present application. All claim amendments are fully supported throughout the description and figures of the specification. No new matter has been added.

In the Office Action, claims 6 and 7 were objected to based on a lack of antecedent basis for the term "the source". Accordingly, the language of claims 6 and 7 has been amended and now has proper antecedent basis provided in claim 1.

Claims 1-7, 9-12, 14-17, 19-22, 24, 25, 27, 29-33, 35, 38 and 39 were rejected under 35 USC 102(b) as anticipated by the Tubel et al. reference, US Publication No.: 2003/0131990. Independent claims 1, 22 and 38 have been amended to clarify certain aspects of the claim language, and claims 1-7, 9-12, 14-17, 19-22, 24, 25, 27, 29-33, 35, 38 and 39 are believed patentable over the cited reference.

The Tubel et al. reference describes a method of controlling production operations with fiber optic devices. A production string 106 is described as having at least one hydraulically operable device 114 carried by a tubing 108. A fluid conduit 110 is placed on the outside or the inside of the production string and is routed via a u-joint 112 to provide a smooth transition for returning the conduit 110 to a surface 104. An optical fiber 122 passes through the entire length of the conduit 110 and returns to the surface 104. The optical fiber 122 has a plurality of sensors 120 distributed along its length. The downhole device is activated by supplying fluid under pressure through the conduit 110. (See page 5, paragraphs 0050-0055).

However, the presently claimed system and methodology do not rely on a fiber optic distributed sensor system routed through the hydraulic fluid control line. Accordingly, the Tubel et al. reference fails to disclose a variety of elements recited in the currently pending claims. For example, the reference fails to disclose or suggest measuring the characteristic of a supply and

measuring the characteristic in or near a downhole tool combined with "locating a sensor, for measuring the characteristic in or near the downhole tool, separate from a control line used to actuate the downhole tool" as recited in amended, independent claim 1. Similarly, the reference does not disclose or suggest a system having sensors adapted to measure a characteristic at both a supply and in or near a downhole tool in which one or more sensors are connected "to a plurality of sensing locations by one or more dedicated snorkel lines" as recited in amended, independent claim 22. The reference also fails to disclose or suggest the completion system of independent claim 38 which recites a pressure gauge adapted to measure a pressure in a packer setting line in combination with an "in-line control valve to control production through the completion tubing". Accordingly, the pending independent claims are patentably distinguishable over the cited art.

Claims 2-7, 9-10, 12, 14-17, 19-21, 24, 25, 27, 29-33, 35 and 39 ultimately depend from one of the independent claims 1, 22 and 38 and are patentable for the reasons provided above with respect to those claims as well as for the unique subject matter found in the dependent claims. Accordingly, claims 1-7, 9-10, 12, 14-17, 19-22, 24, 25, 27, 29-33, 35, 38 and 39 are patentably distinguishable over the cited reference.

Claims 8, 18, 26, 28 and 34 were rejected under 35 USC 103(a) as unpatentable over the Tubel et al. reference in view of the Schultz et al. reference, US Publication No.: 2004/0060696. This rejection is respectfully traversed, however claims 8, 18, 26, 28 and 34 ultimately depend from either amended, independent claim 1 or amended, independent claim 22. Accordingly these dependent claims are patentable for the reasons provided above with respect to the corresponding independent claims as well as for the unique subject matter recited therein. The Schultz et al. reference does not obviate the deficiencies of disclosure in the Tubel et al. reference, as discussed above.

Claims 13, 23 and 26 were rejected under 35 USC 103(a) as unpatentable over the Tubel et al. reference. This rejection is respectfully traversed, and Applicant respectfully disagrees with the characterization of the Tubel et al. reference teachings. For example, the Tubel et al. reference is said to inherently disclose a packer having a setting chamber and a gauge mandrel with one or more sensors below such packer. The Tubel et al. reference does not provide such

inherent teachings. Additionally, the Office Action makes clear the Tubel et al. reference does

not disclose an annular control valve below the gauge mandrel or an in-line control valve, and

Applicant strongly disagrees with the general, unsupported assertion that such components are

obvious. Additionally, claims 13, 23 and 26 ultimately depend from either amended,

independent claim 1 or amended, independent claim 22. Accordingly these dependent claims are

patentable for the reasons provided above with respect to the corresponding independent claims

as well as for the unique subject matter recited therein.

In view of the foregoing remarks, the pending claims are believed patentable over the

cited references. However, if the Examiner believes certain amendments are necessary to clarify

the present claims or if the Examiner wishes to resolve other issues by way of a telephone

conference, the Examiner is kindly invited to contact the undersigned attorney at the telephone

number indicated below.

Respectfully submitted.

Date: June 20, 2006

Robert A. Van Someren

Reg. No. 36,038

PO Box 2107

Cypress, TX 77410-2107

Voice: (281) 373-4369

11